

# PROPOSED AMENDMENT

## HB 1254 # 3

### DIGEST

Manufacturer direct sales of new motor vehicles to consumers. Prohibits a manufacturer from engaging in direct sales of new motor vehicles to consumers.

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- 1 Delete the title and insert the following:
- 2 A BILL FOR AN ACT to amend the Indiana Code concerning
- 3 vehicle merchandising.
- 4 Page 1, between the enacting clause and line 1, begin a new
- 5 paragraph and insert:
- 6 "SECTION 1. IC 9-13-2-43.2 IS ADDED TO THE INDIANA
- 7 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
- 8 [EFFECTIVE JULY 1, 2016]: **Sec. 43.2. "Direct sales of new motor**
- 9 **vehicles to consumers", for purposes of IC 9-32-11-19, has the**
- 10 **meaning set forth in IC 9-32-11-19(a).**
- 11 SECTION 2. IC 9-13-2-105, AS AMENDED BY P.L.221-2014,
- 12 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 13 JULY 1, 2016]: Sec. 105. (a) "Motor vehicle" means, except as
- 14 otherwise provided in this section, a vehicle that is self-propelled. The
- 15 term does not include a farm tractor, an implement of agriculture
- 16 designed to be operated primarily in a farm field or on farm premises,
- 17 or an electric personal assistive mobility device.
- 18 (b) "Motor vehicle", for purposes of IC 9-21, means:
- 19 (1) a vehicle that is self-propelled; or
- 20 (2) a vehicle that is propelled by electric power obtained from
- 21 overhead trolley wires, but not operated upon rails.
- 22 (c) "Motor vehicle", for purposes of IC 9-19-10.5, means a vehicle
- 23 that is self-propelled upon a highway in Indiana. The term does not
- 24 include the following:
- 25 (1) A farm tractor.
- 26 (2) A motorcycle.
- 27 (3) A motor driven cycle.

1 (d) "Motor vehicle", for purposes of IC 9-32-13, includes a  
2 semitrailer.

3 (e) "Motor vehicle", for purposes of IC 9-24-6, has the meaning set  
4 forth in 49 CFR 383.5 as in effect July 1, 2010.

5 (f) "Motor vehicle", for purposes of IC 9-25, does not include the  
6 following:

7 (1) A farm tractor.

8 (2) A Class B motor driven cycle.

9 (g) **"Motor vehicle", for purposes of IC 9-32-11-19, has the**  
10 **meaning set forth in IC 9-32-11-19(b).**

11 SECTION 3. IC 9-32-11-19 IS ADDED TO THE INDIANA CODE  
12 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
13 1, 2016]: **Sec. 19. (a) For purposes of this section, "direct sales of**  
14 **new motor vehicles to consumers" does not include operations of**  
15 **a manufacturer that, as described in IC 9-32-13-23(a)(3), are not**  
16 **considered competing unfairly with a franchisee.**

17 (b) **As used in this section, "motor vehicle" means a passenger**  
18 **motor vehicle that is:**

19 (1) **designed for use on public highways; and**

20 (2) **capable of traveling at speeds greater than forty (40) miles**  
21 **per hour.**

22 (c) **Except as provided in subsection (d), after June 30, 2016, a**  
23 **manufacturer shall not engage in direct sales of new motor vehicles**  
24 **to consumers.**

25 (d) **A manufacturer that is engaged in direct sales of new motor**  
26 **vehicles to consumers on July 1, 2016, shall cease direct sales of**  
27 **new motor vehicles to consumers not later than December 31, 2017.**

28 (e) **After December 31, 2017, a manufacturer of motor vehicles**  
29 **may not hold a new motor vehicle dealer license issued under**  
30 **IC 9-32-11, except for purposes of operations that, as described in**  
31 **IC 9-32-13-23(a)(3), are not considered competing unfairly with a**  
32 **franchisee."**

33 Renumber all SECTIONS consecutively.

(Reference is to HB 1254 as printed January 29, 2016.)